

ADDRESS

by

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before

CHAMBER OF COMMERCE

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Mr. President, Mr. Chairman, Ladies and Gentlemen:

I am very happy to be here this evening. You have heard some references made to the fact that I spoke a number of languages, but this can sometimes lead you into trouble as well as being an advantage.

One day in Brazil I was standing next to the Soviet Ambassador and he had spent six years in the United States and spoke very good English. He turned to me and he said, "The trouble with you Americans is you never bother to learn anybody else's language. Always you want people to speak English to you." I thought, "He hasn't read my biography like I have read his," because it so happens that I do speak Russian. So I said to him, "No, Mr. Ambassador, that's not true." He said, "Yes, it is true; you do not have a gift for languages like we Slavs." So I said to him in Russian, "Mr. Ambassador, that's a bunch of garbage," only the word I did use was not "garbage" but out of deference to the ladies present, I will translate it loosely as garbage. That kind of shook him and I stepped in for the kill and that's when disaster struck. I said to him in Russian, "Mr. Ambassador, would you like to try Portuguese", knowing

that I spoke it much better than he did. He looked at me and he said in English, "Walters, you may be good soldier, but diplomat you are not."

This ground around inside me for eleven years, and when I came to my present job, I called in my Russian experts and I said, "Tell me, where is Andrei Konstantinovich Fomin?" And they said, "Who is Andrei Konstantinovich Fomin?" I said, "Well, I don't know what he is now, but ten years ago he was the Soviet Ambassador to Brazil." So they went out and came back in a few minutes and they said, "He is now the Soviet Ambassador to Bangladesh." I said, "Ten years after Brazil he is in Bangladesh?" I have been fully revenged."

But really I didn't come here to tell you stories, I came here to talk about something that is a burning issue in front of the American people now, that is: intelligence. What is it? Why do we need it? How do we get it? Then I want to talk about some of the allegations that have been made against the organization to which I feel honored to belong. Then I would like to try to answer any questions you may have. Obviously, I will not tell you the name of one of our agents

somewhere, or answer an operational question, but I will try to answer any reasonable question that I can. It so happens that I like most of our agents and I don't want anything bad to happen to them.

Intelligence is basically information concerning the activities--financial, economic, political or military--of foreign countries that may have an impact upon our lives. This is, to a degree, different from everything it has been in the past. It is because the United States is no longer remote from the rest of the world.

In the past the United States had always been regarded by most countries as being unreachable and therefore unbeatable. That is not true anymore. Speed in communications have changed the size of the world. Yesterday morning the President of France arrived in Washington after a three and one-half hour flight from Paris. Time and space have become different.

Throughout our American history since the Revolution, we have faced only powers that were continental in nature. Germany, at the height of her power, was basically a European power. Apart from some submarines off our coast, she had no real capability to inflict harm or damage on the United States itself. That is no longer the case.

We also have an entirely new facet, which is the facet of economic and financial intelligence. In the past this was considered sort of a by-product of a military intelligence study. Today it is a science in itself. There are billions of dollars of American currency being held by powers abroad. The way that money is used can influence the life of everybody in this room. So we have a greater need to acquire this kind of information than at any previous time in our history when this was not the case; where our trade was largely internal in nature, where the share of what we made that went abroad was relatively small. So we need this intelligence.

Why do we need it? We need it because we have a situation evolving in the world today where the relationship of forces that could be used against us --and I don't say they will be--as to what we have is quite different from anything we've ever known in the past.

We look at the real world in which we live and we see the Soviet Union today deploying five new types of intercontinental ballistic missiles that could reach the United States, all of them more accurate and capable

of carrying a heavier warhead than their predecessors. We see the Soviet Union building larger submarines, capable of launching more intercontinental ballistic missiles than ever before. We see them developing missiles to put on those submarines that no longer have to be fired close to our coast, now they can fire them from inside their harbors and still reach the United States. We see them building new types of aircraft with capabilities against the United States. We see them, in the last ten to fifteen years, going from a coast-guard-type navy to a blue-ocean navy, building aircraft carriers, attack submarines with worldwide range; and the most recent events in Angola have shown us that the Soviet Union is not only capable but willing to project its power far from the borders of the Soviet Union.

We in the Intelligence Community feel that we owe the American people four great answers which are the really important things for tomorrow: who will be in control of the Soviet Union five or ten years from today and what will their disposition be towards us; what is there in Soviet science and research today that can have an impact on our lives tomorrow? The same two questions for China. There is also the continuing on-going danger of the proliferation of highly sophisticated

nuclear weapons. All of these things must be kept in perspective and our government must be informed concerning them.

Only if we are well informed can we establish sound policies. We are not a policy organization in the Central Intelligence Agency. You hear all this fantastic fable about the CIA supports this guy or that guy or does this or does that. The CIA basically does what it is told by the constituted authority of the United States. \_\_\_\_\_ We must inform our government so that our government can adopt sound policies and make sound decisions to face all kinds of situations that may come up. As a matter of fact, the very existence of good American intelligence capability is a guarantee for world peace because it will inhibit anybody who might be thinking of trying to do something to us like Pearl Harbor.

Now we as a nation recovered from a naval Pearl Harbor--because the oceans were there, the extraordinary productive capacity of the United States was there, and the tremendous will of the American people was there--but would we be able to recover from a nuclear Pearl Harbor? That is the question we must ask ourselves. But I repeat, the very existence of an effective

American intelligence capability dissuades anybody from attempting adventures against the United States.

Now in the past, people have always thought of intelligence as some sort of an arm for war or a means of waging struggles against your enemies. Intelligence properly used is a weapon for peace. We are able today to conclude agreements with the Soviet Union limiting strategic weapons and other agreements to avoid incidents at sea and so forth, only because today we have the capability of checking to see whether they are living up to those agreements. It is only the fact that we have effective intelligence that permits any President of the United States to sign any sort of an agreement with the Soviet Union or with China.

In the Sixties we had this argument about whether there was a missile gap between the Soviet Union and the United States. You couldn't have a discussion like that today because we are well informed and they know we are well informed. As a matter of fact, sometimes in negotiations with them they say to us, "Why are you telling all our civilians about these things? They are not supposed to know this." This is referring to the other members of the Russian delegation to the talks. So this



enables us to attempt to reach agreements with them. Agreements, if they are to last, must be mutually beneficial; no agreements will last if they are only beneficial to only one side. They must be mutually beneficial. Obviously, all of us hope for a relaxation of tensions--I can't use that other word because it's not operational any more. We all hope for this.

The Russians, as you know, are very fond of proverbs. When you are talking to a Russian there is nothing you can do that will hit him like having a Russian proverb to back up your point. I want you to know that I have a book full of Russian proverbs that I keep leafing through and one of the greatest Russian proverbs that I know which I think contains a lesson for us says: "If you make friends with a bear, hold onto your axe." I think this is a lesson for all of us. It goes on to say: "If you fear wolves, do not go into the forest; but if you don't go into the forest, you won't have any mushrooms." I think there is a lesson in all of those as far as we're concerned.

There is a story that was told about two young Americans who went to Moscow and they were being shown the sights by a young Russian. He finally took them to the zoo and in the zoo they saw the various animals; the Siberian tigers and others; and finally they went

to a great big cage where there was a huge Russian bear. In the cage also was a rather frightened-looking lamb and they were rather puzzled as to why they would put the two in the same cage. So they said to the young Russian, "Why do you put the two in the same cage?" "Oh, he said, "this is to prove that peaceful coexistence is possible." One of the young Americans said, "I must say, it's pretty impressive." The other young American said, "I think it's very convincing." The young Russian looked around, and seeing no one there, said, "Of course, you understand, every morning we have to put in a new lamb. And as long as you don't run out of lambs, there is no problem." So I think we all hope we can do something that will lessen the burden on our people.

The real issue before the American people, in my opinion, today, is not the allegations on which I will comment in a minute, but it is the question as to whether when we enter the last quarter of this century the United States is going to have eyes to see and ears to hear, or are we going to stumble forward into that last quarter of the century blind and deaf until the day we have to choose between abject humiliation and nuclear blackmail. I personally, and I travel around the

country continuously, do not feel the American people want to accept that as an alternative.

There seems to be a great tendency in our country to say, "Oh, it's all right for all these dirty old foreign countries to do these things; but we Americans would never do this vile, low spying and all that business." Well, that isn't historically correct. Out at the Central Intelligence Agency's headquarters we have a statue of Nathan Hale. I must confess to you that it was put there over my protest, not that I don't think he was a brave young man who did issue a very famous declaration about his regret that he had only one life to give to his country. My objection was based on the fact that he was an intelligence agent who was caught on his first mission and he had all the evidence on him. This is not what I think we ought to be holding up to our young trainees. In addition to that, he was sent in to Manhattan Island by General Washington to find out where and when the British would land. They were already there. And, finally, in a breach of security before he went, he told a brother officer, "I am going in to Manhattan to spy on the British." And this

officer looked at him and said, "But, Nathan, how can you stoop so low as to become a spy?" So this particular brand of people was around even then.

But let us go further. In this Bicentennial Year, I have been doing a little bit of looking into what the Founding Fathers were doing in the field of intelligence and you would be surprised at what the Founding Fathers were doing in this field.

First of all, George Washington was probably one of the most prolific readers of other peoples' mail in history. He was always directing that somebody's intercepted mail be laid before him. He organized three separate kidnap attempts on Benedict Arnold. They were all intelligence failures. He also attempted to kidnap a young midshipman of the Royal Navy in New York in 1781, who was the fourth son of George III, Prince William. Fifty years later the American minister to Great Britain was telling King William IV about this episode--King William IV having been this midshipman. "But in your case," the Minister said--unlike Benedict Arnold's case--"General Washington directed that you were to be treated with great consideration and kindness." King William, who was a hearty, seafaring-type, had said, "Well, I am damned glad he didn't get a chance to prove it to me."

In this State of Connecticut, a note in the light of all this business that you should "tell everybody everything," General Washington spent the night at the home of Thomas Holcomb. The next morning he got up on his horse to ride on and Mrs. Holcomb came out to say goodbye to him. She said, "And pray, General, where do you ride tonight?" General Washington leaned down in the saddle and he said, "Madame, can you keep a secret?" She said, "Of course," and he said, "So can I, Madame," tipped his hat and rode on.

Benjamin Franklin was an interesting man. He, for the three years before the Revolution, from 1772 to 1775, was the Assistant Postmaster General of British North America. You know what he was doing? He was opening that mail like crazy. And they caught him and took him to London and they tried him before the Privy Council. He was found guilty, but before they could sentence him he took off for France where he set up the American Revolutionary Mission's Commissioners to Paris, whose principal purpose was to get the French into the war against Great Britain. Now Benjamin Franklin designed and had the French build him a printing press. Shall I tell you what he printed on the printing press? He

printed British currency, British passports, and fabricated atrocity stories for insertion in the British press. We went along with this sort of thing.

There is only one thing I won't tell you; well, maybe I will: it was the name of the fort where they trained the intelligence people during the Revolution. It was called Fort Looney. We keep off that side of the thing.

During all our wars, Americans have built up a very effective intelligence organization, and immediately they are over we began to dismantle them. Mr. Lincoln had to go into the Civil War hiring a private detective agency to get intelligence. In World War I, we built up a very effective intelligence service. We dismantled it. In August 1942, I went to the U. S. Military Intelligence Training Center at Camp Ritchie. It was run by a British colonel. That was the state of American intelligence a year after we entered the war. We have always had this, but this time we've gone a little slower on it. I, myself, believe that we can never use secrecy to cover abuses of any sort. But I find myself in agreement with Mr. Truman who, in 1956, said, "It matters not to the

United States whether its secrets become known through publication or through the action of spies. The damage to the United States is, in both cases, exactly the same. And I, for one," said Mr. Truman, "do not believe that the best interests of the United States are served by going on the principle that everybody has the right to know everything about all our secrets."

We are a very extraordinary people; but we do some very extraordinary things. I have foreigners come in to my office glassy-eyed. They say, "You know, when we turned off the main highway, there was a road-sign that said 'CIA.' I never heard of a country with arrows pointing to its secret intelligence service." We do.

It reminds me of a story about a famous Italian spy by the name of Agnello. Agnello was from Naples and he was recruited by the Soviets, taken to Moscow, given training in secret writing with invisible ink, short-wave communications, and so forth. Then they sent him back to Naples and said to him, "Now, you stay there and in a couple of years we will be in touch with you." So three years later a guy went to the proper address in Naples, looked at the door and saw, "Agnello, ground floor, right." So he rang the doorbell, a man opened it and he said, "Mr. Agnello?" The guy said, "Yes." He said,

"I am from Moscow." The man said, "There is a mistake; I am Agnello, the tailor. Agnello, the spy, is on the third floor." I sometimes think that Agnello was really an American.

The head of a large friendly foreign service said to me other day, "I don't understand why all you Americans aren't Catholics?" I said, "What's that got to do with it?" "Well," he said, "remember, it's the only religion that affords confession for everybody"...then he paused, and he said, "but I suppose it's the fact that it's private, in a small wooden box, that is the drawback."

As far as foreigners are concerned, we are engaging in a striptease which they don't understand. When they have problems with their intelligence services, they set up a board of responsible private citizens who look into the matter discreetly, report back to the congress or the parliament, or whoever make recommendations. They fire, punish, put in jail; restore, change, or alter the intelligence service; but they don't feel the need to do it in Macy's window, like we do.

One of the problems in the past few years has been foreigners saying, "If I tell you something, it's going to be in your Congressional Record, or in one of your newspapers. How can I help you?" Fortunately, we have



been able to make arrangements with the investigating committees so we do not give them secrets which do not belong to the United States, but which fundamentally were given to us by other countries. And I must say as I look at all this, I marvel at what relatively small damage has been done to us. If anyone had asked me what this sort of thing would have done, I would have said that it would put us out of business. It has not put us out of business, which is a great tribute to the people who serve the American people in intelligence.

Our recruitment, the people applying to come to work at the Agency, is higher than at any time in our history. These are the young people coming out of the colleges. The resignations, or people leaving because they can't stand it, are minimal, in the middle of what I think is a bombardment unparalleled in American history. I am not an old CIA man. I came there for the first time four years ago. I marvel at these people. How under this kind of a bombardment, which in my opinion, makes McCarthyism look like an afternoon tea party, they have continued to give the American people what I believe to be the best intelligence in the world. These are real, tough, steadfast people.

Mr. Truman once said, "If you can't stand the heat, you should stay out of the kitchen." I never cease to marvel at how many volunteers there are for kitchen work out there...in the midst of this propaganda which tries to tell you that the real enemies of American freedom are the CIA and the FBI.

I saw a cartoon that I thought was very eloquent the other day. It showed a couple at the movies and the husband turns to the wife and says, "This must be a real old movie, the CIA are the good guys."

Yes, there have been aberrations; yes, there have been things done that should not have been done. But just as one swallow does not make a spring, a very small number of these aberrations does not mean that these agencies are acting against the freedom of the American people.

You know, I hear so much about the gestapo and the police state. The CIA has never had authority to arrest anybody. This is just passed over generally in silence. We don't hear about that. We have never had any capability of arresting or questioning any American who didn't want to talk to us.

Now I will go for a minute quickly into some of these allegations. Assassinations. We heard a great

deal about assassinations; but what was the final finding? Nobody was assassinated. Yes, we had some kooky people who thought about these things. But let us not try to judge the past in the light of today. If we judge the Founding Fathers by the fact that they owned slaves, they would not occupy as honored a position in American history. But at that time the opprobrium for that was not as great as it is now. At the time of these attempts, or alleged attempts on Castro, two American Presidents had sanctioned support of a military invasion of Cuba which obviously was going to kill some people. Presumably Castro would not submit to this. Everybody forgets that Castro at that time was shooting people every day in the National Stadium in front of the television cameras. Now my view of assassination is that I am hostile to it from every possible point of view especially for three principal reasons: it is against the law of God, it is against the law of man, and it doesn't produce any results. You just get another fanatic instead.

But not long ago we had a group of young Congressmen out at the CIA. The question of assassination came up

and someone said, "But if you could have gotten Hitler in 1943 or 1944, that would have been fantastic. You would have gotten the Congressional Medal of Honor for it." Another young Congressman said, "But if you could in 1935 or '36, think how many lives you would have saved." I said, "Congressman, do I understand you're in favor of assassination in peacetime? We were at peace with Germany in '35 and '36." "Oh," he said, "but that's different." What is different about it?

The view of the threat to the United States was quite a different one 25 or 30 years ago. I might add in passing that most of these allegations about which you hear occurred in either in the Fifties or early Sixties. We are not talking about contemporary things.

I cannot tell you that of the 76,000 people who have gone through the CIA in the last 27 years, we have not had kooks, nuts, and people who used bad judgment. We have. But the number of them is remarkably small. I would submit that if you took any other community of 76,000 people in the United States and submitted it to the same kind of scrutiny that we've been submitted to, our record would not look bad. And I would not

exclude any department of the Government from that. I am not telling you that any of these things were justified; I am just saying that I believe that the people who did these things at the time, did not really believe they were breaking the law at that time as they saw it. Perhaps they were. Now with the President's Reorganization Order we have a very clear definition.

But one of the things that concerns me is that today we are being crucified for our alleged sins of commission; what I worry about is that ten or 15 years from now our successors will be accused for their sins of omission, because what the American people want done varies to the degree of what they feel is the threat against them.

The assassinations? Nobody was assassinated. That is the end result. Then we get the break-ins. Well, the Director of Central Intelligence is the only person in the United States Government who is charged by the Congress, by law, with protecting his sources and methods. Nearly all of these break-ins of which you've heard were against people of the CIA who were suspected of having

taken home documents or something of that type. Now, a break-in is illegal, but the law says that the Director is responsible for the protection of his sources and methods. So I think there may have been an understandable confusion.

Wiretaps. You have the impression that the CIA has been listening to everybody's telephone conversations for 25 years. How many wiretaps were there? There were 32 wiretaps which were questionable in 27 years. That is one and one-quarter wiretaps per year, which is not quite the picture of the big ear of the CIA listening to all the innocent American telephone conversations.

Then you have the mail openings. The mail openings are against the law. Well, let's put that a little bit into perspective. You have again the impression that people's mail was being opened indiscriminately. The only mail that was opened was going to or coming from the Soviet Union or the Chinese Peoples Republic and had already either been opened or was going to be opened when it got there. We have a clear mandate now that this is not to be done any more. As an American officer who served in World War II, I had to read my own soldiers' mail. Frankly, I found this was an embarrassing invasion of their privacy.

The drug experiments. Yes, there were drug experiments going on. We saw a man like Cardinal Mindszenty, who had resisted every form of pressure and torture that the Nazis brought to bear on him during the war. Suddenly the Communists produced him hollow-eyed, to confess to every crime in the book. Anyone who is old enough to remember those times believed that this was done with mind-bending drugs which could be used against us, against our military, against our diplomats. And we wanted to know something about them so we could protect ourselves and, if need be, retaliate. It was not just the CIA or the Armed Services that were engaging in these kinds of drug experiments. Many universities, the National Institutes of Health, and other people were doing it. The perception at that time was not what it is today.

We saw these toxins of which you've heard. Well, you all saw the dart gun which was brandished for every television camera and reproduced in the newspapers. You had to read real deep into the article to find out that the dart gun had never been used. Why were these toxins worked on?

I want to go back to the drugs for a minute. Somebody in the CIA, obviously one of the nuts, kooks, or bad judgments about which I spoke, gave LSD to some man who committed suicide subsequently. That was a terrible mistake and no one can justify it. But this was not a conscious policy to do this sort of thing. As I said before, there were aberrations in all of these fields.

In the toxins, the Soviets, during the Fifties, killed a number of people in West Germany by the use of these toxins. Here again was the question: could these be used against us? What did we know about them? Could we protect our people, could we defend ourselves against this? I would just like to remind you that the United States prior to World War II renounced the use of poison gas, but that did not prevent the United States from making many millions of poison gas shells to be used if poison gas was used against us.

What other allegations can I think of? The allegations of connections with the Mafia and so forth. Obviously this was a fantastic mistake in judgment. But, again, I would recall to you that the United States Government during World War II made a very extensive deal with the head of the Mafia, Mr. Lucky Luciano. In return



for information he gave the United States Government for the landings in Sicily, Mr. Lucky Luciano was let out of prison from his life sentence and sent back to Italy to live out his days in freedom.

So while we may not approve of these things, they are not totally unprecedented. And when you put them in the framework of today, they appear to be heinous indeed. But you must go back to the times in which these things occurred.

Right in the CIA, the last investigation we had was by the Doolittle Committee. The Doolittle Committee found that the United States faced a ruthless enemy bent on our destruction by every means and we should match their dedication with ours and their ruthlessness with ours. This was the charge under which the people were operating in the Fifties and the early Sixties.

But, as I say, I can't tell you there haven't been things done that I would rather they had not done. But if any of you work for a corporation of 76,000 people and you can tell me that no one in that corporation has ever done anything wrong, I would say that you are more fortunate than we are, because we have not been that fortunate.

The other day a Congressman said to me, "How can we stop abuses in intelligence?" I said, "I know of only one way. Stop using people." Because, when you get that kind of a mass of people you're going to have problems. What you have to try and do is reduce them to a minimum and provide sanctions to punish anybody who does break the law. But you can't guarantee that there isn't going to be some abuse unless, as I say, you stop using people.

We now have under the President's reorganization a clear mandate for telling us what we can and what we cannot do. We know now. When the CIA was created, the Congress knew perfectly well we were going to engage in espionage. But all they said was, "You will do such other things as the National Security Council may direct..." Again, this American feeling that we don't do that sort of thing, except that we did. We had no further clarification than that. That was the charter, because they didn't want to go into detail concerning what could and should be done.

But, as I say, there has been this fantastic concentration on a small number of abuses or aberrations, or cases of more or less wrongdoing, but I would like to put that into perspective.

You've heard all this loose talk about criminal action and crimes and everything else. All I can tell you is that as of tonight not one of those 76,000 people has been convicted of any crime, nor has enough evidence been marshalled to induce any grand jury to indict anybody. This is a free country. No one controls the grand juries. If they have the evidence of criminal action, they can indict. They have not. Yes, there have been abuses; but there has been a fantastic distortion of these abuses in an attempt to make the United States blind itself.

Twenty-five hundred years ago a Chinese writer wrote a book called, The Art of War. If you read this book it is as real today as if it had been written yesterday morning, although it is 25 centuries old. This is what he said: "Fighting is the crudest way of making war on your enemies." And he went on to describe, some 2,500 years ago, how you take your enemies apart. Let me tell you what he said: First, "Cover with ridicule all of the valid traditions in your opponent's country." Second, "Involve their leaders in criminal enterprises, and at the right time turn them over to the scorn of their fellow countrymen." Number three, "Aggravate by every means at your command all of the existing differences within your opponent's country."

Maxim number four, "Agitate the young against the old." He winds them up with this general summation: "The greatest excellence is not to win a hundred victories in a hundred battles; the greatest excellence is to subdue your enemy without ever having to fight him." If the United States can be blinded from within, and if the United States can be convinced that its true enemies are not foreigners but organizations of the U.S. Government operating under the control of the U. S. Government, the U. S. Government will be a pushover.

As I said, secrecy cannot be used to hide abuses, but neither should it be an excuse for blinding the United States and rendering it deaf and unconscious to what's going on around it.

In spite of all this, one of the things that makes me an optimist is that I see better intelligence going across my desk this morning than I saw one year ago, two years ago, or three years ago. I marvel at the steadfastness of the people there, who, together with their colleagues in Defense, and the people in Defense Intelligence work with us. We do not have little separate, private intelligence. We work together on the same data base. We may have different opinions about it but we

work on the same data base. We generally work together and we generally come out with common estimates that are approved and that are forwarded by the Director of Central Intelligence to the President of the United States.

Not long ago I was in Asia and the Prime Minister of a country said to me, "General, you're an optimist." I said, "Yes, Prime Minister, I am an optimist and if you'll forgive the immodesty, I am one of the best informed men in the world and it is on that basis that I am an optimist." On that basis and I look around and I see people of our organization who have been exposed by other Americans and pointed out as targets for assassination all over the world, and I am proud to tell you that not one of those people has asked to be transferred or brought back to the United States. These are really stout and steadfast people.

We are going forward under a new leadership. I must say, and I am happy to say it in the presence of his mother, that since George Bush has come there, I have not seen him make a single mistake, either inside or outside the Agency. He has sensed how the place works, he has tremendous style, he has the understanding of Congress that only a former member of the Congress

could have. He has the confidence of the President and he has the confidence of the people in the Central Intelligence Agency today.

So I am an optimist not just on the outside, I am an optimist on the inside. One has to be. If we fall, there is no one else to pick up the torch.

Thank you very much.